

Statement

Insurance Association of Connecticut

Insurance and Real Estate Committee

February 1, 2011

HB 5442, An Act Concerning Homeowners Insurance Coverage Based On Breed Of Dog

The Insurance Association of Connecticut (IAC) opposes HB 5442, An Act Concerning Homeowners Insurance Coverage Based On Breed Of Dog.

According to the Centers for Disease Control and Prevention (CDC), there are approximately 4.7 million dog bites per year. Half of the victims are children who tend to be bitten about their face, neck and hands. These bites cost over \$1 billion per year and approximately one-third of all payments are paid by the property-casualty industry. Dog bite claims comprise one-third of all homeowner's claims.

Independent studies by the CDC and the Humane Society of America have shown that certain breeds of dogs are more likely to be involved in an injury or fatal attack than others. Additionally, the studies have found that the severity of the bite has a direct correlation to particular types of breeds. Even this state has acknowledged the serious nature of dog bites by making an owner absolutely liable for a dog's actions (C.G.S. Section 22-357).

There is a demonstrated correlation between risk type of breed and risk exposure. Insurance is a risk based business and insurers must have the flexibility in underwriting. As in any other line of insurance, insurers should not be precluded from underwriting based upon the risk presented. HB 5442 will unreasonably prevent insurers from assessing the risk presented by certain dogs.

There is no need for HB 5442. Homeowner's insurance is readily available in Connecticut, even for owners of certain breeds of dogs. There are over 100 companies writing homeowner's insurance coverage in CT and the manner in which each company underwrites dogs varies greatly. Some may decline to underwrite particular breeds, while others do not have any restrictions. That is a function of the competitive marketplace. Insurers should not be denied their ability to assess risk and determine its appetite to insure such a risk.

Preventing insurers from underwriting their product according to the risk presented, HB 5442 may cause some insurers to reexamine their desire to write such a risk at all, which will impact the availability of coverage for non-dog and dog owners alike.

IAC urges rejection of HB 5442.